

CITY OF LYNN

**Regular City Council Meeting, March 26, 2019
Council President Darren P. Cyr**

10 Councilors Present. (Councilor Field absent).

Moment of Silence. Councilor Starbard asked that the Family of Kevin Fogarty be remembered. Council Vice-President Barton asked that the Family of Ann Reddy be remembered.

Pledge of Allegiance

Motion made by Councilor Colucci and seconded by Councilor Barton to accept the Meeting Minutes of March 12, 2019.

Motion carried.

COMMUNICATIONS:

Communication from His Honor the Mayor:

Dear Councilors,

I am hereby appointing the following members to serve on the Grand Army Museum Board of Trustees all effective March 21, 2019.

Mr. George Fitzhenry 2 Essex Terrace, Swampscott MA.

Term will expire March 30, 2021.

Mr. Dexter Bishop, 387 Boston St, Topsfield, MA.

Term will expire on March 30, 2022.

Mr. John Gibney, 37 Brimblecom St, Lynn.

Term will expire on March 30, 2021.

Ms. Theresa Hurley, 41 North Bend St Lynn.

Term will expire on March 30, 2022.

Sincerely, Mayor Thomas M. McGee

Motion made by Councilor Colucci and seconded by Councilor Net to appoint the following members to the Grand Army Museum Board of Trustees:

George Fitzhenry

Dexter bishop

John Gibney

Theresa Hurley

Motion carried by the following yea and nay vote:

10 YES 0 NO (Councilor Field absent).

Communication from His Honor the Mayor:

I am hereby re-appointing Mrs. Karen Malionek to the Grand Army Museum Board of Trustees effective March 21, 2019. Her term will expire on March 30, 2020.

Sincerely, Mayor Thomas M. McGee

Motion made by Councilor Colucci and seconded by Councilor Net to re-appoint Karen Malionek to the Grand Army Museum Board of Trustees, effective immediately and will expire on March 30, 2020.

Motion carried by the following yea and nay vote:

10 YES 0 NO (Councilor Field absent).

PUBLIC HEARINGS:

IN THE YEAR TWO THOUSAND AND NINETEEN AN ORDINANCE CONSOLIDATING THE TREASURER/COLLECTOR'S OFFICE IN THE CITY OF LYNN

SECTION 1:00 Pursuant to Chapter 58 of the Acts of 2018 and the Municipal Modernization Act, the Treasurer's Office and Collector's Office in the City of Lynn are hereby consolidated.

SECTION 2:00 The Treasurer's Office and the Collector's Office shall be headed by a Treasurer/Collector.

SECTION 3:00 The Treasurer/Collector shall be considered a Level I Department Head for salary and benefit purposes.

SECTION 4:00 The Treasurer/Collector shall be entitled to all contractual benefits provided to members of AFSCME Local 3147 except that the Treasurer/Collector shall not be entitled to a car allowance or overtime pay. Years of governmental service outside of the City of Lynn shall not be considered for longevity purposes.

SECTION 5:00 This Ordinance shall take effect as provided for in the Lynn City Charter.

Motion made by Councilor Colucci and seconded by Councilor Starbard to grant.

Motion carried by the following yea and nay vote:

10 YES 0 NO (Councilor Field absent).

Petition of Marianne Staniunas of "Uncommon Feasts LLC", to operate a commercial kitchen, Café and Event space at 271 Western Ave Mon-Sunday 8am-10pm.

Motion made by Councilor Colucci and seconded by Councilor Starbard to grant.

Motion carried by the following yea and nay vote:

10 YES 0 NO (Councilor Field absent).

Petition of Marianne Staniunas of "Uncommon Feasts LLC", to operate a commercial kitchen, café and Event Space at 271 Western Avenue, Monday – Sunday, 8am to 10pm

The following appeared in Favor:

James Cowdell, Director of EDIC

Marianna Staniunas, Owner

Calvin Anderson, 12 Concord Street, Lynn

Charlene Anderson, Tenant in Building

Public Hearing Closed.

No one appeared in Opposition.

Public Hearing Closed.

Motion made by Councilor Lozzi and seconded by Councilor Colucci to grant the prayer of the Petitioner with the following stipulations:

1. Hours of operation 9:00 am to 6:00 pm

2. Limit food sales to internal only (people in the building)

Motion carried by the following yea and nay vote:

10 YES 0 NO (Councilor Field absent).

Petition of A to Z Convenience Store at 264 Essex St for a Sign Permit

The following appeared in Favor:

Bhadresh Patel, Owner

No one appeared in Opposition.

Public Hearing Closed.

Motion made by Councilor Starbard and seconded by Net to grant the prayer of the Petitioner with the following stipulations:

1. Must have security inside and outside the building

2. Closing Hours 10:00 pm

Motion carried by the following yea and nay vote:

9 YES 0 NO (Councilor Field absent; Councilor Lozzi absent at vote).

Petition of Jordan Avery for Massachusetts Green Retail Inc, to operate a Recreational Cannabis Retail Business at 829A Boston St.

The following appeared in Favor:

Attorney Sam Vitali

Calvin Anderson, 12 Concord Street, Lynn

Pat Smith, 350 Boston Street, Lynn

The following appeared in Opposition:

Arthur Kreiger, Special Town Counsel, Town of Saugus

Rick Smith, 91 Hamilton Street, Saugus

Council President Cyr asked that a correspondence from Debra Panetta, Chairman of the Saugus Board of Selectman be read into the records:

Good evening Lynn City Councilors.

I strongly oppose a recreational marijuana facility at the old O'Brien's location on Boston Street. A significant portion of the parking lot and part of the building is in Saugus, and it is located in a residential area.

The bike trail is behind the old restaurant, where people were parking. That is Saugus property. Lynn will have an issue with the off-street parking at this location per your zoning bylaws.

There is also a significant traffic issue at that location, including a dangerous intersection, which needs to be considered.

As I mentioned at the neighborhood meeting, Saugus residents voted "no" for recreational marijuana. Saugus Town Meeting voted unanimously against recreational marijuana in our town.

I ask that you please reconsider this location.

Sincerely, Debra Panetta, Chairman, Saugus Board of Selectmen

Public Hearing Closed.

Motion made by Councilor Walsh and seconded by Councilor Barton to grant the prayer of the Petition.

Motion carried by the following yea and nay vote:

9 YES 0 NO (Councilor Field absent; Councilor Colucci absent at vote).

PUBLIC HEARING TO BE SET DOWN:

Petition of Evan Dostert, 21 Glen Ct Lynn, MA to operate a Pharmacy as a merchant to retail merchant on Monday-Friday 8:30 am -2pm and Saturdays 8:30 am to 6:30 pm at 161 Eastern Ave Suite 6 **(Cyr)**

Motion made by Councilor Barton and seconded by Councilor Starbard to set down for a Public Hearing.

Motion carried.

COMMITTEES:

Report of the March 26, 2019 Committee on Ordinance and Rules recommending the following to be accepted:

1. DISCUSSION AND/OR TO SET DOWN FOR A PUBLIC HEARING:

A Proposed Ordinance Amending the Zone Ordinance of the City of Lynn. (Permission of the City Council shall be required for Package Stores and Businesses with an All-Alcohol or Beer/Wine License). – **Motion to set down For a Public Hearing.**

2. OTHER BUSINESS
REPORT ACCEPTED.

Report OF THE Committee on Utilities recommending the following to be accepted:
PUBLIC HEARING:

Petition of National Grid to install 1 JO Pole on Bulfinch Rd and Carroll Way to feed three new houses on Carroll Way (**Starbard**) – **Granted pending the pole does not block house window at 2 Bulfinch Terrace.**
REPORT ACCEPTED.

Report of the March 26, 2019 Committee on Ways and Means recommending the following to be accepted:

Transfer the sum of SEVENTY THOUSAND DOLLARS AND ZERO CENTS (70,000.00)

From the Account of <u>22104-1000</u>	LPD-PR	70,000.00
To the Account of <u>22105-1904</u>	LPD-EXP	40,000.00
To the Account of <u>22105-3099</u>	LPD-EXP	27,000.00
To the Account of <u>22105-5812</u>	LPD-EXP	3,000.00

To fund operational expenses for the remainder of FY19 that is needed to replace funds that have been reallocated to cover PY Bills, Academy Tuition, Recruit Supplies/Uniforms, QED upgrades and Email Server repairs

Councilor Barton attached the following Emergency Preamble:

WHEREAS, A Special Emergency exists involving the peace, health and safety of the people or their property in the City of Lynn.

WHEREAS, An Emergency relative to a financial order transferring the sum of SEVENTY THOUSAND DOLLARS AND ZERO CENTS (70,000.00)

From the Account of <u>22104-1000</u>	LPD-PR	70,000.00
To the Account of <u>22105-1904</u>	LPD-EXP	40,000.00
To the Account of <u>22105-3099</u>	LPD-EXP	27,000.00
To the Account of <u>22105-5812</u>	LPD-EXP	3,000.00

To fund operational expenses for the remainder of FY19 that is needed to replace funds that have been reallocated to cover PY Bills, Academy Tuition, Recruit Supplies/Uniforms, QED upgrades and Email Server repairs

THEREFORE BE IT VOTED BY THE LYNN CITY COUNCIL THAT THE FOREGOING CONSTITUTES AN EMERGENCY.

Emergency Preamble was adopted by the following yea and nay vote:

10 YES 0 NO (Councilor Field absent)

Emergency Order was then adopted by the following yea and nay vote:

10 YES 0 NO (Councilor Field absent).

Transfer the sum of SEVENTY THOUSAND DOLLARS AND ZERO CENTS (70,000.00)

From the Account of <u>98005-7400</u>	Insurance-Exp	70,000.00
To the Account of <u>71012210-3103</u>	LPD-EXP	30,000.00
To the Account of <u>71012210-3104</u>	LPD-EXP	40,000.00

To fund medical claims for police officers hurt on duty.

Councilor Barton attached the following Emergency Preamble:

WHEREAS, A Special Emergency exists involving the peace, health and safety of the people or their property in the City of Lynn.

WHEREAS, An Emergency relative to a financial order transferring the sum of SEVENTY THOUSAND DOLLARS AND ZERO CENTS (70,000.00)

From the Account of <u>98005-7400</u>	Insurance-Exp	70,000.00
To the Account of <u>71012210-3103</u>	LPD-EXP	30,000.00
To the Account of <u>71012210-3104</u>	LPD-EXP	40,000.00

To fund medical claims for police officers hurt on duty.

THEREFORE BE IT VOTED BY THE LYNN CITY COUNCIL THAT THE FOREGOING CONSTITUTES AN EMERGENCY.

Emergency Preamble was adopted by the following yea and nay vote:

10 YES 0 NO (Councilor Field absent)

Emergency Order was then adopted by the following yea and nay vote:

10 YES 0 NO (Councilor Field absent).

Certify as an "Available Fund" the amount of FIVE MILLION SIX HUNDRED FOUR THOUSAND SEVEN HUNDRED EIGHTY DOLLARS AND ZERO CENTS (5,604,780.00) as allotted to the City of Lynn by FEMA's Grant Program to support the SAFER Grant initiative which represents Staffing Adequate Fire and Emergency Response (SAFER). Annual award not to exceed \$1,868,260.00. Grant Period is 01/26/19 through 01/25/22

Councilor Barton attached the following Emergency Preamble:

WHEREAS, A Special Emergency exists involving the peace, health and safety of the people or their property in the City of Lynn.

WHEREAS, An Emergency relative to an Order to certify as an "Available Fund" the amount of FIVE MILLION SIX HUNDRED FOUR THOUSAND SEVEN HUNDRED EIGHTY DOLLARS AND ZERO CENTS (5,604,780.00) as allotted to the City of Lynn by FEMA's Grant Program to support the SAFER Grant initiative which represents Staffing Adequate Fire and Emergency Response (SAFER). Annual award not to exceed \$1,868,260.00. Grant Period is 01/26/19 through 01/25/22

THEREFORE BE IT VOTED BY THE LYNN CITY COUNCIL THAT THE FOREGOING CONSTITUTES AN EMERGENCY.

Emergency Preamble was adopted by the following yea and nay vote:

10 YES 0 NO (Councilor Field absent).

Emergency Order was then adopted by the following ye and nay vote:

10 YES 0 NO (Councilor Field absent).

REPORT ACCEPTED.

Presentation by Blue Wave Solar

ORDER / Vote to authorize the Mayor to enter into a 20-Year Energy Credit Purchase Agreement with BCS Customer Acquisition, LLC subject to the approval of the Agreement and review of references by the City Solicitor's Office.- **Tabled in the Ways and Means Committee.**

Motion made by Councilor

Motion made by Councilor Barton and seconded by Councilor Cyr to TAKE OFF THE TABLE.

Motion carried by the following ye and nay vote:

5 YES 4 NO (Councilors Barton, Hogan, LaPierre, Net, Cyr voting YES).

MOTION FAILS.

Motion made by Councilor LaPierre and seconded by Councilor Colucci to RECONSIDER.

Motion carried by the following ye and nay vote:

5 YES 4 NO (Councilors Barton, Hogan, LaPierre, Net, Cyr voting YES).

MOTION FAILS.

Motion made by Councilor LaPierre and seconded by Councilor Walsh to go into Executive Session.

No votes taken in Executive Session.

ORDER REMAINS TABLED.

REPORT ACCEPTED.

Report of the March 26, 2019 Committee on Public Safety and Health recommending the following to be accepted:

Constable Re-Appointment

James Appleyard, 5 Riverview Hill Essex, MA Expires 3/26/2022. – Granted

Recommends that the Lynn City Council be requested to set down a Public Hearing relative to the burnt, dilapidated or dangerous building or other structure located at 6 Pinkham Place.- Granted

Recommends that the Lynn City Council be requested to set down a Public Hearing relative to the burnt, dilapidated or dangerous building or other structure located at 170-172 Essex St.- Granted

REPORT ACCEPTED.

Report of the March 26, 2019 Committee on Licensing recommending the following to be accepted:

FLAMMABLE LICENSE – RENEWAL

453R Lynnway – Healey Bus Incorporated - **Granted**

580 Lynnway – Solomon Metals Corp. - **Granted**

780 Lynnway – Walmart Store #2139- **Granted**

0 Raddin St. – Walsh's Oil, LLC- **Granted**

JUNK DEALER- RENEW

580 Lynnway, Solomon Metals, Corp. - **Granted**

SIGN LICENSE-RENEWAL

495 Eastern Ave., Nails By Tina- **Granted**

608 Essex St., J.H. One Properties (formerly McKinnon's Printing) - **Granted**

CANNING:

Valladolid Council #70 (Adults Only) – October 11, 12, 13, 14, 2019- **Granted**

Santa Island Fund and Item Santa (Adults Only) – December, 2019- **Granted**

Lynn English Baseball (Adults Only) – April 18, 19, 20, 2019- **Granted**

Pine Hill Little League (Adults Only) – May 23, 24, 25, 2019- **Granted**

Lynn English Softball (Adults Only) – March 29, 30, April 14, 2019 - **Granted**

REPORT ACCEPTED.

Report of the March 26, 2019 Committee on Public Property and Parks recommending the following to be accepted:

1. Discussion re: Establishing the length of time a private banner can be hung in the City of Lynn.- **Motion made by Councilor Walsh and seconded by Councilor LaPierre to allow a private banner to be hung for 30 days with the option to request additional time only if the banner is of high quality material.**

2. OTHER BUSINESS.

REPORT ACCEPTED.

Report of the March 26, 2019 Committee on Recreational Cannabis Site Plan Review recommending the following to be accepted:

1. Discussion re: Bostica, LLC, 11 Linden Street – **Motion made by Councilor Chakoutis and seconded by James Cowdell to grant with the stipulation that odor control to maintained.**

2. OTHER BUSINESS

REPORT ACCEPTED.

NEW BUSINESS:

Approval / Cannabis Host Agreement

ABC CANNABIS, INC.,**HOST COMMUNITY AGREEMENT FOR THE SITING OF AN ADULT-USE
CANNABIS ESTABLISHMENT IN THE CITY OF LYNN**

This Host Community Agreement (the "**Agreement**") is entered into this day of March, 2019 (the "**Effective Date**") by and between the City of Lynn, acting by and through its Mayor, with a principal address of Mayor's Office, 3 City Hall Square, Lynn, MA 01901 (hereinafter the "**City**") and ABC Cannabis, Inc. with a principal office address of 25 Main Street, Boston, MA 02459 (hereinafter the "**Company**") (City and Company, collectively the "**Parties**").

RECITALS

WHEREAS, when permitted under Local and State Law, Company intends to locate a licensed, adult-use, Recreational Retail Cannabis Establishment ("**RCE**") at the Facility in accordance with State Law and Local Law;

WHEREAS, Company desires to provide community impact fee payments to the City pursuant to M.G.L. c. 94G, § 3(d), and any successor statutes and regulations, in order to address any reasonable costs imposed upon the City by Company's operations in the City; and

WHEREAS, the City supports Company's intention to operate an RCE for the retail sale of recreational, adult-use cannabis in the City at the Facility.

WHEREAS, the Parties intend by this Agreement to satisfy the provisions of M.G.L. c. 94G, §3(d), applicable to the operation of an RCE in the City;

NOW THEREFORE, in consideration of the provisions of this Agreement, the Parties agree as follows:

AGREEMENT

- 1. Community Impact.** In order to mitigate the possible financial impact upon the City and use of the City's resources, the Company agrees **to make payments** to the City, in the amounts and under the terms provided herein (the "**Payments**"). The purpose of this Agreement is to assist City in addressing Community Impacts

directly proportional and reasonably related to the Company. "Community Impacts means, collectively, the following potential and actual impacts to the City directly relating to or resulting from the construction and operation of the RCE such as (i) increased use of City services; (ii) increased use of City infrastructure; (iii) the need for additional City infrastructure, employees and equipment; (iv) increased traffic and traffic congestion; (v) increased air, noise, light and water pollution; (vi) issues relating to public safety and addictive behavior; (vii) loss of City revenue from displacement of current businesses; (viii) issues related to education and housing; (ix) quality of life; and (x) costs related to mitigating other impacts to the City and its residents.

2. Host Community Payments.

- a. **Commencement Payment.** Upon the execution of this Agreement, the Company will make a payment to the City in the amount of \$50,000.00 (the "**Commencement Payment**"). The Commencement Payment will be a one-time payment and shall be credited toward any Payments which become due under sub-paragraph 2.b. hereunder. **The Commencement Payment of \$50,000.00 shall be returned to the company in the event that the Cannabis Control Commission (CCC) or any other such state licensing or monitoring authority, as the case may be, does not provide final license to the Company or the Company fails to receive all required approvals from the City to operate an RCE.**
- b. **RCE Annual Payments.** In the event that Company obtains a license, or any other such license/or approval as may be required under State Law, for the operation of a RCE in the City from the CCC or any other such state licensing or monitoring authority, as the case may be, and receives all required approvals from the City to operate a RCE, then Company agrees to the following:
 - i. The Company shall make quarterly payments to the City in an amount equal to three percent (3%) of the gross quarterly sales of recreational cannabis and recreational cannabis products (collectively "**Recreational Cannabis**") at the Facility (the "**RCE Payment**"). This payment shall be in addition to any local option tax accepted by the City.
 - ii. **The initial RCE Payment shall be paid on a quarterly basis and be due within 30 days of the end of the company's first full fiscal quarter following Commencement of Sales. (the "Initial RCE Payment").**

- iii. Subsequent RCE Quarterly Payments shall be due within **30 days of the end of the company's preceding fiscal quarter** throughout the term of the HCA.
- iv. In the event of a relocation out of the City, an adjustment of the Payment due to the City hereunder shall be calculated based on the period of occupation of the Facility with the City, but in no event shall the City be responsible for the return of any Payment or portion thereof already provided to the City by the Company except as provided in sub-paragraph 2.a.

3. Notifications and Accounting. Company shall notify the City when it commences sales at the Facility and shall submit annual financial statements to the City to prove the payment amounts at such time as it makes the payments described in Paragraph 2. The company shall submit annual financial statements to the **City within 120 days of the end of the Company's fiscal year**, which shall include certification of itemized gross sales for the previous calendar year, and all other information required to ascertain compliance with the terms of this Agreement, in addition to a copy of its annual filing as a non-profit, if any, to the Massachusetts Office of Attorney General. Upon request, the Company shall provide the City with the same access to its financial records (to be treated as confidential, to the extent allowed by law) as it is required by the Commonwealth to obtain and maintain a license for the Facility.

The Company shall maintain its books, financial records and any other data related to its finances and operations in accordance with standard accounting practices and any applicable regulations and guidelines promulgated by the Commonwealth of Massachusetts. All records shall be retained for a period of seven (7) years.

4. Term and Termination. The Term of this Agreement shall be five (5) years from the Effective Date (the "**Term**"). This Agreement shall automatically terminate at the end of the Term. In the event Company ceases all operations in the City, this Agreement shall become null and void, except that the Company shall make any payments owed to the City under Paragraph 2 above through the date of termination of the operation. In the event Company loses or has its license(s), approvals, and/or permits to operate in the City revoked by the relevant Licensing Authority(ies) **or** the City, this Agreement shall become null and void. The Parties shall agree to attempt to renegotiate or renew this Agreement prior to the end of the Term. The Company shall not be required to cease operations following the termination of this Agreement so long as renegotiations are actively ongoing.

5. Re-Opener/Review. In the event that the Company or the City enters into a host community agreement after the date of this agreement for a RCE with another municipality in the Commonwealth of Massachusetts or a Marijuana

Establishment, as the case may be, that contains terms that are superior to what the Company agrees to provide the City pursuant to this Agreement, then the parties shall reopen this Agreement and negotiate an amendment resulting in benefits to the City equivalent or superior to those provided in the other municipality. **However, in no event shall a renegotiated Agreement extend the Host Agreement beyond the Term of this Agreement as stated herein. Moreover, any amendments to the Host Agreement will reflect actual impacts experienced by the City of Lynn as required by law.**

- 6. Payments.** The Company shall make the Payments to the City as set forth in Sections 2 of this Agreement. While the purpose of this payment is to assist the City in addressing any public health, safety, and other effects or impacts the Facility may have on the City and on municipal programs, services, personnel, and facilities, the City may expend the Payments at its sole and absolute discretion, provided that such expenditures do not exceed three percent (3%) of the gross annual sales from the Facility except for payments received pursuant to a local option tax. The City understands and acknowledges that, as required by M.G.L. c. 94G, § 3(d), the Payments shall be reasonably related to the costs imposed upon the City by Company's operation of a RCE in the City. Furthermore, the City understands and acknowledges that, pursuant to M.G.L. c. 94G, § 3(d), any cost to the City imposed by Company's operation of a RCE in the City shall be documented and considered a public record pursuant to MA Law.
- 7. Operating Buffer.** The City agrees that during the Term of this Agreement it will not permit any RCE, to operate within five hundred (500) feet of the Facility without the written consent of Company. **Nothing shall permit the City from amending the operating buffer at the conclusion of the Term of this Agreement.**
- 8. Acknowledgements.** The City understands and acknowledges that Payments (with the exception of the Commencement Payment) due pursuant to this Agreement are contingent upon the Company's receipt of all state and local approvals to operate an RCE in the City.
- 9. Local Taxes.** At all times during the Term of this Agreement, property, both real and personal, owned or operated by the Company shall be treated as taxable, and all applicable real estate and personal property taxes for that property shall be paid either directly by the Company or by its landlord, and neither the Company nor its landlord shall object or otherwise challenge the taxability of such property and shall not seek a non-profit exemption from paying such taxes. Notwithstanding the foregoing, (i) if real or personal property owned, leased or operated by the Company is determined to be non-taxable or partially non-taxable, or (ii) if the value of such property is abated with the effect of reducing or eliminating the tax which would otherwise be paid if assessed at fair cash value as defined in G.L. c. 59, §38, or (iii) if the Company is determined to be entitled or

subject to exemption with the effect of reducing or eliminating the tax which would otherwise be due if not so exempted, then the Company shall pay to the City an amount which when added to the taxes, if any, paid on such property, shall be equal to the taxes which would have been payable on such property at fair cash value and at the otherwise applicable tax rate, if there had been no abatement or exemption; this payment shall be in addition to the payment made by the Company under Section 2 of this Agreement. Nothing in this section shall in any way limit or prevent the Company from challenging the evaluation of this property before the Board of Assessors or the Appellate Tax Board.

10. Other Payments. The Company anticipates that it will make purchases of water, and sewer from governmental entities. Company will pay and all fees associated with the local permitting of the facility. If the City receives other payments from the Company (other than additional voluntary payments made by the Company), or from the Department of Revenue or any other source, the funds will have been collected by assessment against the Company, including but not limited to taxes impose by the legislature of the Commonwealth of Massachusetts, or mandate from the City for said payments, the amounts due from the Company to the City under the terms of this Agreement shall not be reduced by the amount of such other payments.

11. Community Support and Additional Obligations.

- a. Local Vendors — to the extent such practice and its implementation are consistent with federal, state, and municipal laws and regulations, Company shall use good faith efforts in a legal and non-discriminatory manner to give priority to qualified local businesses and vendors in the provision of goods and services called for in the construction, maintenance, and continued operation of the Facility.
- b. Employment/Salaries — except for senior management, and to the extent such practice and its implementation are consistent with federal, state, and municipal laws and regulations, Company shall use good faith efforts in a legal and non-discriminatory manner to give priority to hire qualified residents of the City as employees of the Facility.
- c. The Company shall, at least annually, provide the City with copies of all reports submitted to the Licensing Authority(ies) regarding Company's operations at the Facility.

- d. The Company will work cooperatively with all necessary municipal departments, boards, commissions, and agencies ensure that Company's operations are compliant with all of the City's codes, rules, and regulations.
- e. The Company will maintain its premises in a neat and tidy condition and conduct its operations in a businesslike and professional manner, with due regard for the interests of this community.
- f. If contacted by a representative of the Municipality, the Company shall make best efforts to respond immediately and substantively, and shall always respond in a reasonable amount of time;
- g. The Company shall maintain its cannabis establishment license in good standing with the CCC and comply with all applicable CCC regulations;
- h. The Company shall comply with any and all conditions imposed by local zoning authorities;
- i. The Company shall take strong precaution to prevent of sales of cannabis to persons under the age of 21.
- j. The Company agrees to obtain a License from the City of Lynn License Board and pay any applicable fee for said license prior to commencing operations. The License Commission may not deny an initial License Application from an applicant that has received a Special Permit from the Lynn City Council.
- k. The Company shall be obligated to finance a traffic and parking impact statement upon initial opening of the facility, at 6 months and 12 months following occupancy by a traffic engineering firm approved by the City. The monitoring program shall include the traffic network identified by the City, including which roadways and intersections which will be studied. Traffic counts shall be taken during peak periods as identified by the City. The monitoring and reporting should include corrective measures, if the study determines that the RCE is the cause of the traffic issues, including but not necessarily limited to, retiming of effected traffic control signals, optimizing traffic signal coordination, enhancing Transportation Demand management measures or other remedies as may be required. The Company shall provide a copy of such reports to the City and agrees to meet with the City to discuss traffic and parking solutions.

12. Application Support. The City agrees to submit to the Cannabis Control Commission, or such other state licensing or monitoring authority, as the case may be, certification of compliance with applicable local bylaws relating to the Company's

application for a Certificate to operate the Facility, where such compliance has been properly met, but makes no representation or promise that it will act on any other license or permit request, including, but not limited to any Special Permit or other zoning application submitted by the Company, in any particular way other than by the City's normal and regular course of conduct and in accordance with their rules and regulations and any statutory guidelines governing them. The City agrees to use reasonable efforts to work with Company, if approved, to help assist the Company on their community support and employee outreach programs.

This agreement does not affect, limit, or control the authority of City boards, commissions, and departments to carry out their respective powers and duties to decide upon and to issue, or deny, applicable permits and other approvals under the statutes and regulations of the Commonwealth, the General and Zoning Ordinances of the City, or applicable regulations of those boards, commissions, and departments, or to enforce said statutes, Ordinances, and regulations. The City, by entering into this Agreement, is not thereby required or obligated to issue such permits and approvals as may be necessary for the Facility to operate in the City, or to refrain from enforcement action against the Company and/or the Facility for violation of the terms of said permits and approvals or said statutes, Ordinance, and regulations.

13. Security. Company shall maintain security at the Facility in accordance with a security plan presented to the City and approved by the Licensing Authority(ies). In addition, Company shall at all times comply with State Law and Local Law regarding security of the Facility. The Company further agrees:

- a. Company shall maintain security at the Facility at least in accordance with the security plan presented to the City and approved by the Cannabis Control Commission, or such other state licensing or monitoring authority, as the case may be. In addition, the Company shall at all times comply with all applicable laws and regulations regarding the operations of the Facility and the security thereof. Such compliance shall include but will not be limited to providing hours of operation; after-hours contact information and access to surveillance operations; and requiring dispensary agents to produce their Agent Registration Card to law enforcement upon request.
- b. To the extent requested by the City's Police Department, and subject to the security and architectural review requirements of the Cannabis Control Commission, or such other state licensing or monitoring authority, as the case may be, the Company shall work with the City's Police Department in determining the placement of exterior security cameras, so that at least two cameras are located to provide an unobstructed view in each direction of the public way(s) on which the Facility is located.

- c. Company agrees to cooperate with the City's Police Department, including but not limited to periodic meetings to review operational concerns, security, delivery schedule and procedures, cooperation in investigations, and communications with the Police Department of any suspicious activities at or in the immediate vicinity of the Facility, and with regard to any anti-diversion procedures.
- d. Company shall maintain a diversion plan at the Facility at least in accordance with the diversion plan presented to the City and approved by the Cannabis Control Commission, or such other state licensing or monitoring authority, as the case may be. In addition, the Company shall at all times comply with all applicable laws and regulations regarding the operations of the Facility and the implementation of the diversion plan thereof.
- e. Company shall promptly report the discovery of the following to the City's Police within twenty-four (24) hours of the Company becoming aware of such event: diversion of cannabis; unusual discrepancies identified during inventory; theft; loss and any criminal action; unusual discrepancy in weight or inventory during transportation; any vehicle accidents, diversions, losses, or other reportable incidents that occur during transport; any suspicious act involving the sale, cultivation, distribution, processing, or production of cannabis by any person; unauthorized destruction of cannabis; any loss or unauthorized alteration of records related to cannabis, or dispensary agents; an alarm activation or other event that requires response by public safety personnel; failure of any security alarm system due to a loss of electrical power or mechanical malfunction that is expected to last longer than eight hours; and any other breach of security.

14. Governing Law. This Agreement shall be governed and construed and enforced in accordance with the laws of the Commonwealth of Massachusetts, without regard to the principals of conflicts of law thereof. The parties expressly waive any defense to enforcement based upon nonconformance with federal law regarding the illegality of cannabis.

15. Amendments/Waiver. Amendments or waivers of any term, condition, covenant, duty or obligation contained in this Agreement may be made only by written amendment executed by all Parties, prior to the effective date of the amendment.

16. Severability. If any term or condition of this Agreement or any application thereof shall to any extent be held invalid, illegal or unenforceable by the court of competent jurisdiction, the validity, legality, and enforceability of the remaining terms and

conditions of this Agreement shall not be deemed affected thereby unless one or both Parties would be substantially or materially prejudiced.

17. Successors/Assigns. This Agreement is binding upon the Parties hereto, their successors, assigns and legal representatives. The City shall not assign or transfer any interest or obligations in this Agreement without the prior written consent of the Company, which shall not be unreasonably delayed, conditioned, or withheld. The Company shall not assign or transfer any interest or obligation under this Agreement without the prior written consent of the City, which shall not be unreasonably delayed, conditioned, or withheld.

18. Entire Agreement. This Agreement constitutes the entire integrated agreement between the Parties with respect to the matters described. This Agreement supersedes all prior agreements, negotiations and representations, either written or oral, and it shall not be modified or amended except by a written document executed by the Parties hereto.

19. Council Acceptance Required. The parties acknowledge that the terms of this Agreement are expressly conditioned upon the approval of the Lynn City Council of the form of the Host Agreement.

20. Local Permitting. The parties acknowledge that payments pursuant to the operation of the RCE under this agreement are specifically contingent upon the Company obtaining a Special Permit for the RCE from the Lynn City Council. The approval and execution of this Host Agreement does not guarantee that the Company will obtain a Special Permit from the Lynn City Council.

21. Notices. Except as otherwise provided herein, any notices under this Agreement shall be in writing and addressed as follows:

To the City:

Mayor's Office
Lynn City hall
3 City Hall Square
Lynn, MA 01901
Attention: Thomas M. McGee Mayor

To the Company:

ABC Cannabis, Inc.
25 Main Street
Boston, MA 02459

*** * SIGNATURE PAGE TO FOLLOW * ***

IN WITNESS WHEREOF, the Parties hereto have duly executed this Host Community Agreement on the date set forth above.

CITY OF LYNN

ABC Cannabis, Inc.

Name: Thomas M. McGee
Title: Mayor

Name:
Title: President

Motion made by Councilor Colucci and seconded by Councilor Chakoutis to approve the Host Agreement.

Motion carried by the following yea and nay vote:

8 YES 0 NO (Councilor Field absent, Councilor Colucci and Councilor Lozzi absent at vote).

Motion made by Councilor Walsh and seconded by Councilor Starbard to adjourn.

Notice of this meeting was posted in the City Clerk's Office at least forty-eight (48) hours in advance.

A True Copy Attest:

CITY CLERK